

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of SOUTHERN CALIFORNIA GAS COMPANY for Authority Pursuant to Public Utilities Code Section 851 to Sell Certain Real Property in Playa del Rey, California.

(U 904 G)

Application 99-05-029

**ADMINISTRATIVE LAW JUDGE'S RULING  
STAYING PROCEEDING**

**Summary**

This ruling stays, until further Commission notice, any activity, including work under the California Environmental Quality Act (CEQA), in Application (A.) 99-05-029.

**Background**

On May 12, 1999, Southern California Gas Company (SoCalGas) filed an application with the Commission pursuant to Pub. Util. Code § 851,<sup>1</sup> seeking authorization to sell vacant lots located in Playa del Rey, California. Some of the lots are over abandoned and capped oil and gas wells. Many nearby residents and interested groups filed protests to the application raising environmental, health, and safety issues concerning the abandoned wells.

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<sup>1</sup> Unless otherwise noted, all code references are to the California Public Utilities Code.

In January 2000, the assigned Administrative Law Judge (ALJ) determined that SoCalGas' application triggered an environmental review under CEQA. SoCalGas was instructed to file a Preliminary Environmental Assessment and the CEQA process began.

On May 11, 2000, three complaints were filed by Playa del Rey residents Boppana, Story, and Jibilian. The three complaints (C.) 00-05-010, C.00-05-011, and C.00-05-012, although filed separately, were consolidated into one complaint because they all raised a common question: Is SoCalGas operating its Playa del Rey gas storage facility and gas fields in a manner that ensures the safety and health of the neighboring residents? In summary, the complaints asked the Commission to conduct an investigation of the gas facility and gas fields.

Initially, the Commission stayed any environmental investigation in the consolidated complaints because of the ongoing environmental review in A.99-05-029. The application and the complaints all basically raised safety and health concerns about the gas facility and the lots over abandoned wells in Playa del Rey. To avoid unnecessary duplication of effort and expenses, the Commission stayed further investigation in the complaints pending the completion of the environmental review in the application.

### **Health Risk Assessment**

As the environmental review progressed in A.99-05-029, it became apparent to the Commission staff that the application triggered concerns that were distinct and narrower in focus from those raised in the complaints. Although the environmental study of the lots would include an analysis of health and safety problems associated with the abandoned wells, the scope of the study would not include the gas storage facility or the gas storage fields.

Neighbors to the Playa del Rey storage facility and gas fields, and concerned citizen groups, complained to the Commission that gas was leaking, or

being vented, into the atmosphere and soil contiguous to the SoCalGas facility. The citizens were concerned that the gas was seriously affecting the health and well-being of the neighbors. In particular, the people fear that seepage of gas from the operational and abandoned wells may be exposing them to benzene—a known carcinogen.

SoCalGas, on the other hand, claims it has monitoring and maintenance records indicating that there is no evidence of gas leaking into the soil or the atmosphere. SoCalGas believes it is running its facility in a safe fashion and according to normal industry standards for health and safety.

Because of the discrepancy between the neighbors' complaints and concerns, and SoCalGas' records and monitoring data, a Health Risk Assessment (HRA) was ordered in the complaint matters. On October 3, 2001, the ALJ issued a ruling ordering the HRA for the gas storage facility and gas fields in Playa del Rey. The HRA will incorporate a comprehensive microclimate study that includes long-term monitoring at the same location controlling for different atmospheric, weather, and time-of-day circumstances.

## **Discussion**

The Commission anticipates that if both the environmental review under CEQA in A.99-05-029, and the HRA in the consolidated complaints C.00-05-010, C.00-05-011, and C.00-05-012 go forward, there would be a lot of duplication of effort, resources, and money. While the application and the complaints do raise some issues that are distinct to each respective proceeding, there is no way the findings in one matter will not significantly impact the other. In particular, if the HRA finds any health or safety risks, those risks could affect the direction the environmental review takes in the application.

In addition, it is expected that once some issues are addressed and resolved by way of the HRA, the Commission and the parties will have a clearer

vision as to the direction the environmental review for the application should take. Therefore, in the interest of promoting efficiency and economy, and avoiding possible conflicting results, the Commission will stay all activity in the application, including work under CEQA, pending completion of the HRA or further order.

**Effect of Stay**

This stay will temporarily suspend all activity in A.99-05-029, including work under CEQA. The Commission may, however, at its sole discretion, reinstate activity in the application upon notice to the service list.

**IT IS RULED** that all activity in Application 99-05-029 is stayed until further order of the Administrative Law Judge or Assigned Commissioner.

Dated October 11, 2001, at San Francisco, California.

/s/ CAROL BROWN  
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Carol Brown  
Administrative Law Judge

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Staying Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated October 11, 2001, at San Francisco, California.

/s/ KE HUANG

Ke Huang

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.